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**Homeland
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Statement for the Record of

CHARLES E. ALLEN

**Assistant Secretary for Intelligence and Analysis
Chief Intelligence Officer
Department of Homeland Security**

"Homeland Security Intelligence Threat Overview"

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Introduction

Chairman Reyes, Ranking Member Hoekstra, and members of the Committee, I am pleased to be here today as the Chief Intelligence Officer for the Department of Homeland Security to provide my perspectives on key Homeland-specific threat issues. Thank you for this opportunity.

The threat of terrorist attacks is as real today as any time in the past since September 11. The disrupted aviation plot of last summer demonstrated that international terrorism—most notably represented by al-Qa'ida's central leadership and affiliated Sunni extremists—continues to represent a direct threat to the Homeland. Because of this, counterterrorism (CT) remains a high priority – but not exclusive – mission area within the DHS Office of Intelligence and Analysis (I&A). I have broadened I&A's analytic focus beyond the CT domain and realigned its intelligence structure to assess the severity of several threats facing our homeland. This realignment will continue to foster intelligence support for a myriad of customers at the departmental, interagency, and state, local, and private sector levels. The focus of homeland security intelligence is:

- Border security, especially the flow of illegal drugs at both the southern and northern Borders;
- Human smuggling, including terrestrial and maritime alien smuggling and the incursion of special interest aliens, and trafficking;
- The potential ingress of chemical, biological, radiological, nuclear, high explosive materials, and threats from infectious diseases such as avian influenza;
- The security of our nation's critical infrastructure; and
- The dynamic of homegrown radicalization and extremism.

Counterterrorism

International terrorism continues to represent the most direct threat to the Homeland. Al-Qa'ida has not carried out an attack inside the United States since 11 September 2001 in large part because of the death or capture of numerous key operational planners and technical experts, and a host of security measures implemented by the United States and our allies worldwide. Despite these collective successes, al-Qa'ida remains a resilient and adaptive enemy, and its senior leaders remain fixated on striking the U.S. Homeland again. We and our other U.S. partners, as well as allied intelligence communities, remain vigilant for the indicators and signs of the next planned attack.

In addition to the terrorist threat from al-Qa'ida, a variety of affiliated Sunni extremist groups also present direct threats to the United States. In the past, many of these groups—while ascribing to the same jihadist beliefs as those endorsed by al-Qa'ida leader Usama bin Ladin—only focused their operational activities against host governments or Western interests in certain regional settings. However, over the past year, the al-Qa'ida leadership has made a deliberate effort to promote or expand its influence among many of these Sunni extremist groups, with the goal of aligning their

respective interests towards one common goal—the global jihad. Whether or not these groups will operate in concert with, or independent of, al-Qa’ida to pursue direct attacks inside the United States, is an issue of paramount concern that we monitor closely.

The threat from international terrorism is by no means limited to the Sunni extremist dimension. Lebanese Hizballah and Iran represent the threat from Shia extremists. Hizballah suffered losses to equipment, personnel, and infrastructure during its conflict with Israel last summer, but in the aftermath has embarked upon a campaign to secure their political position within Lebanon in order to retain their arms as a “resistance organization.” Hizballah’s aggressive maneuvering within Lebanon’s political sphere could once again trigger internal sectarian tensions, raising the specter of civil war. Additionally, they continue to hold three Israeli soldiers, and an open conflict with Israel, with the possible escalation to terrorist attacks if certain “redlines” are crossed, remains a real possibility. Hizballah maintains a transnational terrorist apparatus that could possibly initiate attacks against U.S. or Israeli interests worldwide with little warning. This potentially includes attacks within the United States, but we do not assess this as likely at this time. Similarly, the government of Iran continues to pursue policies hostile to that of the United States, thereby increasing the potential for confrontation. Iran is Hizballah’s primary patron, and independent of Hizballah, maintains similar capabilities that could be leveraged for attacks against U.S. interests should Iranian hardliners authorize such actions, in response to a perceived threat to their interests.

Border Security

Exploitable vulnerabilities in U.S. border security—although not necessarily related to terrorism—will continue to present opportunities for a range of illicit actors to gain access to the United States. Security enhancements will force those engaged in illicit travel activities to alter their methods. Terrorists and illicit travel facilitators continually adapt to what they perceive as weak links in the travel security chain, such as exploiting special visa programs and engaging in a variety of fraudulent document techniques. The use of “clean” operatives could circumvent existing watch list and identity checks. I&A is supporting the implementation of effective layered security measures to reduce vulnerabilities that can allow unlawful entry.

Narcotics Trafficking

Illicit narcotics trafficking complicates the U.S. border security environment, involving gangs, organized crime figures, and corrupt officials who all seek to violate the integrity of our borders. The nearly 2,000 mile U.S.-Mexico border is the principal theater for drug smuggling into the United States. Major drug trafficking organizations move narcotics into the United States in all manner of vehicles, with pedestrians, through tunnels and on boats in the Pacific Ocean and the Gulf of Mexico. Drug trafficking exacerbates cross-border crime along this border; struggle among the cartels for control of smuggling corridors continues to spawn brutal violence along the border. Despite recent Mexican government counternarcotics operations, endemic corruption and limited

resources continue to limit prospects for long-term success in preventing illegal drugs from crossing the U.S. Southwest border.

Drug smuggling across the U.S.-Canada border, although at significantly lower levels than the Southwest border, continues to pose challenges to U.S. border security. The vast land and maritime geography, and other unique aspects of the cross-border community such as Native American reservations straddling the border, are being exploited to smuggle narcotics and other contraband into both countries.

Human Smuggling, Trafficking, and Migration

As previous attacks indicate, overseas extremists do not operate in a vacuum and are often linked with criminal and smuggling networks— usually connected with resident populations from their countries of origin. To help in countering this threat, I&A established a Demographics Analysis Branch in late 2006, in order to fuse reporting from the intelligence and law enforcement communities and assess patterns in which migrant populations - and likely associated extremists - may or could travel to and establish themselves within the Homeland. This Branch's mission is to assess key factors of global instability driving migration to the United States, and the extent to which extremist, smuggling, and criminal networks exploit these human migration flows for their own nefarious ends. By combining all-source intelligence and law enforcement reporting on extremist groups, smugglers, and transnational criminal networks, with DHS' expertise in immigration enforcement and travel security, I&A can provide strategic warning of mass migration to the United States and likely exploitation by illicit actors.

Weapons of Mass Destruction and Infectious Diseases

Protecting the Homeland from attacks using weapons of mass destruction (WMD) is a top priority of the Department, resulting in major efforts across the homeland security intelligence enterprise. Known terrorist organizations (including al-Qa'ida), domestic extremist groups, lone actors, and individuals advocating extremist violence, who have knowledge and experience in developing, acquiring, and using chemical, biological, radiological, and nuclear weapons (CBRN), or explosives pose a threat to the Homeland. We are leading an effort in the community to develop a Homeland WMD Intelligence Strategy that will outline the unique aspects of the WMD threat, along with the goals and actions needed for us to meet this challenge. A major emphasis of this strategy will be on collecting and analyzing non-traditional sources of information intrinsic to DHS resources, along with traditional intelligence, to deduce indicators of the transfer of knowledge, expertise, and materials among individuals with WMD knowledge and experience, known terrorist organizations, and other criminal or extremists groups. Our mission is to provide homeland security operators and policy makers, the Intelligence Community, and our federal, state, local, tribal, and private sector partners with tailored, timely, and actionable intelligence to counter WMD threats.

We are developing our capabilities in WMD intelligence to meet five goals. Two goals are associated with preventing WMD attacks from a “borders out” and “borders in” perspective. Our “borders out” work focuses on developing the intelligence needed to prevent extremists with the knowledge, capability, and intent to conduct WMD attacks from entering the country, and assessing the ability of known terrorist groups to develop, acquire, and use WMD. Our “borders in” efforts focus on providing tailored intelligence products to homeland security operators in order to prevent the transport of WMD devices or materials into or within the United States; to avoid unauthorized access to weapons useable materials in the United States; and to deter domestic extremists from acquiring and using WMD. Our preparedness and response activities fulfill our responsibility to provide intelligence and advice to incident management planners and operators. We are also developing the capability to prevent technology surprise by providing homeland security policy makers, regulators and our public and private sector partners with information on new and emerging threats. Finally, we are committed to developing the homeland intelligence tradecraft through the recruitment and training of a first-class WMD intelligence analytic cadre.

In addition to those threats posed by our adversaries, new and reemerging human and animal infectious diseases present an ongoing public health threat both to the United States and to global security. Many infectious diseases - such as a potential pandemic influenza strain, avian influenza, Rift Valley fever, and foot and mouth disease — are present outside U.S. borders and may be introduced by international travelers, immigrants, returning U.S. military personnel, or imported animals and foodstuffs. Since DHS is responsible for protecting the population, economy, and critical infrastructure from the potentially catastrophic consequences of a natural or deliberate introduction of biological pathogens on the homeland, I am establishing a medical intelligence capability within I&A to provide direct support to the Department’s Chief Medical Officer and the National Biosurveillance Integration System to enhance U.S. preparedness for public health crises.

Critical Infrastructure

Critical infrastructure continues to figure prominently in terrorist plotting worldwide, as evidenced by past attacks and statements from al-Qa’ida leadership. In addition to the obvious vulnerabilities within the transportation sector—particularly commercial aviation and mass transit systems—there are many other potential targets, such as dams or chemical facilities, that could produce mass casualties, economic damage, and emotional shock if attacked successfully.

As an enterprise, the Department’s intelligence components analyze credible threats to geographic and named facilities, including information from debriefings, foreign intelligence collection, and counterterrorism investigations. We assess that the infrastructure specified from these sources of information likely remains of interest to terrorist operatives, although we are not aware of any active operational planning. An analysis of this intelligence, along with review of terrorist attacks overseas, provides us with insight into the types of infrastructure most likely to be targeted and the methods of

attack. We determine that transportation (particularly commercial aviation and mass transit) and commercial facilities remain the sectors most threatened by al-Qa'ida and its affiliates. Unfortunately, specific targeting or location information is often incomplete in reporting on plots or threat streams. However, the infrastructure of large and important U.S. cities, including Washington D.C., New York City, and Los Angeles, top the list of known target locations.

Radicalization

The issue of radicalization in the United States has received growing attention over the last few years based on developments both at home and overseas. Terrorist attacks by largely "homegrown" Islamic extremists in Madrid and the United Kingdom, and the arrests of radicalized individuals with varying characteristics and backgrounds in the United States, Canada, and Australia, demonstrate the diversity of the radicalization phenomenon as a whole. Of increasing concern to the Department and my office is the potential that individuals already here may proceed down a radicalization pathway to support or conduct acts of violence in the name of a particular ideology.

Our research indicates a variety of radicalizing influences, to include the role of charismatic extremist leaders, the spread of extremist propaganda through the Internet, the use of mass communication and multimedia, and more traditional person-to-person encounters, are among the key drivers that shape radicalization dynamics within the Homeland. We do not believe that the conditions which currently drive radicalization in Western Europe are as pronounced here, which may account for the relative difference in operational threat from homegrown radicals on the different sides of the Atlantic. Having said that, the complex amalgam of factors, which up until now appeared to have limited the number of radicals here, could shift over time.

In order to meet these radicalization challenges, I&A realigned its analytic cadre in late 2006 and created a branch focused exclusively on radicalization in the Homeland. This new branch is studying the dynamics of individual and organizational radicalization in order to develop a more complete understanding of the means and mechanisms through which radicalization manifests throughout the United States. This analysis is being incorporated into state-by-state and regional radicalization assessments that will serve as building blocks for a national assessment of radicalization in the United States, slated to be completed in 2007.

The U.S. homeland also faces a direct threat posed by the activities of foreign intelligence services. DHS works with its government counterparts to address these concerns.

Conclusion

I have attempted to portray through my testimony dynamic and robust views of key issues shaping our understanding of threats to the Homeland. This expanded focus on the full homeland security threat spectrum ensures that I&A assesses the most

significant threat topics in support of the Department's vital mission. We strive to provide accurate and timely intelligence to a broad range of customers to include the entire DHS enterprise, federal, state, and local authorities, and the private sector.

Mr. Chairman, this concludes my prepared statement. I appreciate the opportunity to provide an update on our efforts to address key threats against the Homeland. I look forward to addressing any follow up questions you may have.